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are subject to a general license and the regulations of the United States Nuclear Regulatory Commission or of a State with which the Commission has entered into an agreement for the exercise of regulatory authority. Do not remove this label.

CAUTION—RADIOACTIVE MATERIAL—THIS SOURCE CONTAINS PLUTONIUM. DO NOT TOUCH RADIOACTIVE PORTION OF THIS SOURCE.

(Name of Manufacturer or Initial Transferor)

(c) Each person licensed under this section shall perform a dry wipe test upon each source containing more than 0.1 microcurie of plutonium prior to transferring the source to a general licensee under §70.19. This test shall be performed by wiping the entire radioactive surface of the source with a filter paper with the application of moderate finger pressure. The radioactivity on the paper shall be measured by using radiation detection instrumentacapable of detecting tion 0.005 microcurie of plutonium. If any such discloses more than 0.005 microcurie of radioactive material, the source shall be deemed to be leaking or losing plutonium and shall not be transferred to a general licensee under § 70.19.

[29 FR 5884, May 5, 1964, as amended at 32 FR 2563, Feb. 7, 1967; 38 FR 1272, Jan. 11, 1973; 40 FR 8792, Mar. 3, 1975; 42 FR 43966, Sept. 1, 1977; 43 FR 6925, Feb. 17, 1978]

§ 70.40 Ineligibility of certain applicants.

- A license may not be issued to the Corporation if the Commission determines that:
- (a) The Corporation is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government; or
- (b) The issuance of such a license would be inimical to—
- (1) The common defense and security of the United States; or
- (2) The maintenance of a reliable and economical domestic source of enrichment services.

[62 FR 6669, Feb. 12, 1997]

Subpart F—Acquisition, Use and Transfer of Special Nuclear Material, Creditors' Rights

§ 70.41 Authorized use of special nuclear material.

- (a) Each licensee shall confine his possession and use of special nuclear material to the locations and purposes authorized in his license. Except as otherwise provided in the license, each license issued pursuant to the regulations in this part shall carry with it the right to receive title to, own, acquire, receive, possess and use special nuclear material. Preparation for shipment and transport of special nuclear material shall be in accordance with the provisions of part 71 of this chapter.
- (b) The possession, use and transfer of any special nuclear material produced by a licensee, in connection with or as a result of use of special nuclear material received under his license, shall be subject to the provisions of the license and the regulations in this part.

[21 FR 764, Feb. 3, 1956, as amended at 38 FR 33970, Dec. 10, 1973; 43 FR 6925, Feb. 17, 1978]

§ 70.42 Transfer of special nuclear material.

- (a) No licensee shall transfer special nuclear material except as authorized pursuant to this section.
- (b) Except as otherwise provided in his license and subject to the provisions of paragraphs (c) and (d) of this section, any licensee may transfer special nuclear material:
 - (1) To the Department;
- (2) To the agency in any Agreement State which regulates radioactive materials pursuant to an agreement with the Commission or the Atomic Energy Commission under section 274 of the Act, if the quantity transferred is not sufficient to form a critical mass;
- (3) To any person exempt from the licensing requirements of the Act and regulations in this part, to the extent permitted under such exemption;
- (4) To any person in an Agreement State, subject to the jurisdiction of that State, who has been exempted from the licensing requirements and regulations of that State, to the extent permitted under such exemption;